IN THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF ILLINOIS

SOUTHERN ILLINOIS MOTOR XPRESS, INC., et al,

Plaintiff,

v.

KG ADMINISTRATIVE SERVICES, INC., KEISER GROUP LLC, TRACEY KEISER, ROBERT FRAZIER, PEOPLEASE, LLC, AND PLC SERVICES, LLC,

Defendants.

Case No. 18-cv-02067-SPM

DEFAULT JUDGMENT

Pending before the Court is a Motion for Default Judgment against defendants Tracey Keiser and Robert Frazier (Doc. 200). For the following reasons, said Motion is **GRANTED**, and default judgment is entered against Keiser with respect to Counts I, III, IV, V, VI, and VII, and against Frazier with respect to Counts I, III, IV, V, and VII of Plaintiff's First Amended Complaint.

On July 22, 2021, an evidentiary hearing was held regarding damages. Despite having notice of the hearing and an opportunity to be heard (Doc. 183), neither Keiser nor Frazier appeared (Doc. 188). Based upon the testimony presented at the hearing, the Court found that plaintiff, Southern Illinois Motor Xpress, Inc. ("SIMX"), proved damages and entered a default judgment against KG Administrative Services, Inc. and The Keiser Group, LLC (Doc. 192).

On September 14, 2021, a final pre-trial conference was held in this case. Despite having notice of the conference which had been scheduled on March 9,2021 (Doc. 168), and an opportunity to be heard, neither Keiser nor Frazier appeared or advised the Court of their inability to appear (Doc. 198). Prior to the hearing and in accordance with chambers procedures, all parties, including Keiser and Frazier, submitted the parties' proposed joint final pretrial order. ¹

On September 15, 2021, an Entry of Default was entered against Keiser and Frazier for failing to attend the pretrial conference in defense of this action (Doc. 199).

In light of the foregoing and in accordance with Rule 55(b) of the Federal Rules of Civil Procedure, the Court finds that SIMX has proven that they are entitled to Default Judgment against Tracey Keiser and Robert Frazier. Additionally, SIMX has already proven damages via the previous evidentiary hearing and counsel have advised that they are not seeking additional recovery.

The Court hereby enters an aggregate judgment in favor of Plaintiffs and against Defendants KG Administrative Services, Inc., The Keiser Group, LLC, Tracey Keiser and Robert Frazier, in the total amount of \$9,044,819.12, which includes an award of \$3,000,000.00 for punitive damages; the Court further awards post-judgment interest at the legal rate provided by law until paid in full.

The breakdown is as follows:

Count I/Fraud - \$3,905,491.26

\$580,561.77 in compensatory damages; \$324,919.49 in attorney's fees and expenses; and,

¹ In accordance with Judge McGlynn's practice and Local Rule 16.2(b)(1), parties shall submit a signed, joint Final Pretrial Order no later than 3 days prior to the Final Pretrial Conference. Said Order was received via email from Neal Settergren, counsel for SIMX, on September 10, 2021 at 10:47 a.m.

\$3,000,000.00 in punitive damages.

Count III/Defamation - \$3,139,337.86

\$3,139,337.86 in compensatory damages

Count IV/Conversion - \$2,000,000.00

\$2,000,000.00 in compensatory damages

Count V/Civil Conspiracy (Keiser & Frazier) - \$02

Count VI/Professional Negligence/Breach of Fiduciary Duty

(Keiser) - \$0

Count VII/ Breach of Fiduciary Duty - \$0

Pursuant to Rule 54(b)(2), the Court enters this final default judgment finding

that there is no just reason for delay, especially since other parties are also pursuing

financial recoveries against KG Administrative Services, Inc., The Keiser Group, LLC.,

Tracey Keiser, and Robert Frazier.

IT IS SO ORDERED.

DATED: <u>October 22, 2021</u>

1st Stephen P. McGlynn

STEPHEN P. McGLYNN

U.S. District Judge

² To avoid any potential for duplicitous recovery, the Court elects not to award damages for Counts V - Counts VII since the damages it would have awarded are already included within the damages awarded in Counts I, III and IV.